

1Q Financial Results Commentary
Australia & New Zealand

4/29/2008 7:29 AM

Tom Southern:

"The first quarter of 2008 was a very strong period for CB Richard Ellis in the Asia Pacific Region. Revenues were 46% ahead of the first quarter 2007 and EBITDA grew 44% over the same period. The Australia and New Zealand operations made substantial contributions to this strong performance, with first-quarter revenue growth of 52%.

"Despite the global credit market difficulties and re-pricing of risk, which are now starting to become evident in our own market, we showed significant growth. We were helped by our 2007 M&A activity, which positively impacted the performance of the business.

"Our revenue base has become more broadly diversified so that we are no longer as dependent on large leasing and sales transactions. We have moved strategically to develop new business lines, such as structured finance, project marketing and the private client group, and have made key acquisitions, such as pH Group and GVA SwaleHynes, which have strengthened our offering in project management and corporate services, respectively.

"Reflecting our increased diversity, our strongest performing business lines in the first quarter were in the professional services area, including valuations, project management and corporate services."